



USAID-COMPETE PARTNER FUNDING SUPPORT TO EAGC

MONTHLY REPORT MAY 2012

A. INTRODUCTION

This report from Eastern Africa Grain Council (EAGC) is covering the achievements under USAID-COMPETE funding support for the month of May 2012. The Grant is aimed at strengthening institutional coordination and regional structured grain trading system through integrated regional market information systems, policy and reduced barriers to trade. The objectives of the entire Grant are as follows:

1. To facilitate institutional strengthening to enable EAGC to deliver services to its stakeholders across the region with a particular emphasis on strengthening the capacity of satellite offices in Uganda and Tanzania.
2. To formalize regional agricultural markets and structured trade systems in the Eastern and Southern Africa region through training of trainers in harmonized grains standards, rules of trade (tariffs, simplified certificate of origin (SCO), Sanitary and Phytosanitary Standards (SPS), WRS/Commodities Exchanges and dispute resolution.
3. To expand RATIN into a truly regional market information platform that integrates national MIS providers and provides timely and accurate data and analysis to all value chain participants and is the region's preferred source of market information.
4. To hold a successful Grain Trade Summit in Uganda in October 2011 to discuss the systems required to formalize, strengthen and integrate the regional staple foods value chain, increase stakeholder participation in structured trading systems and promote regional trade and food security.
5. To organize Agribusiness Fairs in Kenya and Tanzania to bring small-scale farmers and FBOs together with leading regional traders and processors to build linkages across the value chain.
6. To engage directly with national governments in the EAC to ensure full adoption and institutionalization of the EAC's harmonized grains standards.

B. INSTITUTIONAL STRENGTHENING

a) Regional and Country Operations

EAGC South Sudan Chapter

EAGC's Executive Director Mr. Gerald Masila was in South Sudan at the request of the Government of South Sudan to discuss plans to operationalize the Eastern Africa Grain Council, South Sudan Chapter. After his meeting with the Minister for Agriculture Madam Betty Achan Ogwaro, Mr. Masila held a consultative forum with various stakeholders working in the agricultural sector in the country including government officers and representatives from WFP, FAO and GIZ. During the consultative meeting held on Friday 4th May 2012, Mr. Masila made a presentation on EAGC's work in the greater Eastern Africa region and the possible role the Council will play once it sets up shop in the new country in terms of strengthening the grain value chains.

Collaboration on market information systems is one area that has already been agreed upon and a meeting scheduled to take place in the next few weeks will determine how **New RATIN** will incorporate the South Sudan market information system **CLIMIS** to be able to serve the South Sudan with regional market information.

C. PROGRAM ACTIVITIES AND ACHIEVEMENTS

a) Structured Trading Systems (STS)

○ Review of Kenya WRS Bill 2012

The members of the Legal and Policy sub-committee of the Task Force on the development of WRS Legislation for Kenya held a 3-day retreat in Machakos on 9th to 11th May 2012. The aim of the retreat was to review the draft WRS bill prior to the stakeholders' validation workshop expected soon. The development of the WRS bill got a boost from the State Law office by appointing a state counsel to assist in drafting the bill and guide the process. USAID –COMPETE was represented by Mr. Victor Gitobu who co-chairs the WRS Steering Committee.

○ WRS Stakeholders Meetings in Kenya

EAGC organized Warehouse Receipting System (WRS) stakeholders' Workshops on 28th and 31st May 2012 in Meru and Nakuru respectively. The meetings were meant to help the various grain value chain actors understand more about the WRS and its importance in helping to reduce post-harvest losses, increase to finance access and stabilize produce prices. The workshops drew various stakeholders including farmers, traders, millers, bankers, NGOs and Ministry of Agriculture.

b) Market Information Systems

○ FSNWG meeting at IFRC offices in Nairobi

EAGC attended a Food Security & Nutrition Working Group (FSNWG) meeting on Thursday May 31, 2012 at the IFRC offices. The meeting was a strategy meeting to take stock of some of the FSNWG achievements, strengths, weaknesses and opportunities. The meeting was also convened to agree upon the strategic objectives for 2012/2013 as well as review some of the TORs, structure and institutional arrangement in line with the strategic objectives; identify resources required to achieve the objectives.

Some of the resolution made at the meeting included:

- Formalize partnerships with various agencies to supply data/information on a monthly basis using the IPC analytical frame work for collecting key indicators.
- Tap into the regional resource of the technical experts in Nairobi and IPC global partners.
- FSNWG should lead the region in making steps towards more livelihood support based on the comparative advantage that the group has.
- FSNWG should buy-in from the Global IPC partners and open ways for stronger collaboration, starting with the sub-group and regional analysis.

○ Effectiveness of ICTS in Smallholder Farming Project Presentation

EAGC attended the above presentation on Thursday May 31, 2012 at the University of Nairobi. The presentation was the climax of a wider project carried out by earns – Africa (e-Agriculture Research Network for Africa) whose purpose was to evaluate the effectiveness of ICTs in smallholder farming. The report highlighted the importance of information for adequate functioning of markets in economic theory indicating that that the information asymmetry still prevail in most developing countries and constrain performance of agricultural markets.

According to the study, it is expected that through these projects transaction costs will reduce, awareness of both input and output quality will increase, access and adoption of superior production technologies will be facilitated leading to increase in farm output.

○ Regional Food Balance Sheet Training

EAGC in partnership with COMPETE held the regional food Balance sheet training meeting in Nairobi from 16th -18th May 2012. The objective of meeting was to consider and make relevant input to the proposed framework of the comprehensive Food Balance Sheet and strategy for gathering the data for the various sub-components. The meeting also provided a platform for the target experts in the partner states to interact and share challenges they have faced or will face in the development and populating of the comprehensive Regional Food Balance Sheet framework with data. The target experts are officers who were charged with the responsibility of reporting data on food balance from the ministries of agriculture, livestock, fisheries and food reserve agencies. At the end of the two day meeting the team agreed on the key areas for follow up towards a regional food balance sheet.

- **EAGC and COMPETE RATIN Overhaul Technical Meeting**

EAGC and COMPETE held a technical team meeting on 21st May to discuss on the follow up plans after the launch of RATIN. The Purpose of the meeting was RATIN review and timeline for completing final work, Coordinate roll out of Real-time Warehouse Volume Tracking System and to Schedule time to develop/finalize weekly market analysis template and editorial review procedures. A clear deliverable plan was discussed and agreed upon by the teams.

- **Meeting on ICT and Agriculture with Judy Payne at COMPETE**

EAGC team was represented at the meeting with USAID private sector Advisor at COMPETE on 17th May 2012. The discussion was around ICT and Agriculture in Africa. A number of key stakeholders were also represented at the meeting. EAGC presented on the re-launched RATIN and on the Africa MIS Network, where EAGC had meet with Judy Payne the week before in Addis Ababa. The team resolved on key success factors for MIS and best practices, which can be proved for learning purpose.

- **EAGC and COMPETE Joint Planning meeting on RFBS**

The teams held technical joint planning meeting on 23rd May 2012, on the roll out of the RFBS in the various countries and agreed on a clear roll out plan.

- **Development of EAGC Publications and Publicity Materials and Media coverage**

The council continued to produce publicity material and publications of the council. The Grain Newsletter, Annual Report 2011, the RATIN Brochures, EAGI Brochures, ATPAF Banners and brochures, EAGC leaflets, press releases, media coverage's and manuals. Media coverage has been ongoing in all the EAGC countries across the region.

- **Food Security Meeting in Arusha**

The meeting was conducted between EAGC and consultants from USAID/SERA, AIRD, Ministry of Agriculture, USDA and IFPRI. The meeting was meant to examine the impacts of the current policies on the regional markets, grain trade and the potential growth of the food crops markets in Eastern Africa. How can food security be achieved without market distortions. A review of food security needs of Tanzania and capacity to meet these needs.

This would lead to development of a food security paper that balances food security, economic growth and poverty reduction. The meeting went further on to discuss the different programs being carried by the council these stretched from STS to MIS. The effects of the export ban to the Warehouse Receipt System in the country.

This was followed by a visit to the Namanga border by the same team, the main interest was to find out how the procedures by the customs affect the flow of trade on imports and export and the procedure to be followed when clearing goods, time taken to clear the goods, the systems being used to clear the goods.

The different departments involved and their specific roles. The challenges which the Customs officials have been facing due to the imposition of the maize export ban.

- **EAGC in the Food Security Task force of the Agricultural Sector Coordination Unit (ASCU)**

EAGC has been selected to sit in the Food Security and Nutrition Taskforce of the Agricultural Sector Coordination Unit (ASCU) in Kenya. The council has been given a standing order to present the country food balance sheet in each of the meetings.

- **EAGC at AU's Africa Organic Conference in Lusaka, Zambia**

EAGC was represented at the Africa Organic Conference under the theme ***Mainstreaming Organic Agriculture in the African Development Agenda***, in Lusaka, Zambia from 30th to 5th May 2012. EAGC was invited by the Africa Union as the private sector institution to support Agriculture development in the continent under the CAADP process. One of the main outcomes of the meeting, is that the Africa Organic Network (Afronet) was formed, which will work with the Africa Union Commission to ensure the implementation of the Organic Agriculture Action Plan under the CAADP.

The Pillars under the Agriculture Action Plan are Research and training, Information and communication, Value chain market development, networking and partnership, supportive policies and institutional capacity development. EAGC was therefore requested by the AUC to support in the pillars on training and research through the Eastern Africa Grain Institute, on Information and communication through the Regional Agricultural Trade Intelligence (RATIN), and in policy through the Agricultural Trade Policy Forum (ATPAF), launched in Nairobi last week. Other pillars on market development and institutional capacity development will be supported through other EAGC initiatives such as structured trading systems.

- **EAGC at the Experts Meeting of the Africa MIS Forum in Addis Ababa, Ethiopia**

EAGC was represented at the MIS experts in the region meeting in Addis Ababa, hosted by the United Nations Economic Commission for Africa (UNECA) from 30th April to 4th May 2012. The experts' forum was to discuss on the structure of the development of a continent wide platform for all MIS service providers in Africa. The aim is to ensure best practices in the sector and also agreed on modalities of sharing information. The team also discussed on the Market Information Fair which is hosted under the forum and will be hosted in Addis Ababa in November 2012.

- **Maintenance of the EAGC websites**

EAGC continued maintaining the EAGC website, RATIN Site, EGT Africa, EAGI site, ABE sites, over the period. EAGC Cross border Monitoring and reporting also continued to give timely and relevant information and also the Market Monitoring and reporting continued.

c) Annual Agribusiness Fairs

(i) TANZANIA

- **Change of Dates for the Event**

The dates on the Expo has been pushed to July 20th -21st. This was caused by collision of the EAGC Expo and the Karibu. The Karibu Fair was initially slated for 1st and 3rd June but has been pushed to

June 8th – 10th June. The postponement of EAGC Agribusiness Expo was done at the request of exhibitors to enable them attend both events.

○ Crops Demo set up

The preparation of the crops demo in Arusha has been ongoing. EAGC installed additional solar panels to boost the power of the solar water pump. Now there is sufficient water for the crops demo site. Irrigation system has also been fixed.



Crops demo plots in Tanzania

○ Sponsors and Exhibitors

So far 40 exhibitors have confirmed participation with more expected to confirm in May.

The following sponsors have come on board:

- Mijingu Fertilizer & Mining Ltd who donated fertilizer for the crops demo.
- East Africa Business Newspaper – to support the advertisement of the event through the newspaper throughout the month of May and June.
- FMD- supply of power through donation of a generator

○ Awareness

- Expo adverts were run on Guardian and Mwananchi Newspapers. Four insertions were made in April and it expected that four additional insertions will be made in May. We are also exploring the best radio stations to promote the event. The radio classifieds will start running in the two week of July.

(ii) UGANDA

○ Mobilization Sponsor and Exhibitors

A total of 20 sponsors have been identified & contacted. One sponsor has paid Ush.1.1 million. So far 38 exhibitors have confirmed participation with more expected.

- **Awareness**

Newspaper adverts have commenced in both the Monitor & New Vision publications while radio adverts will run 3 weeks prior to the event. Unity & Mega FM have already been identified.

EAGC is partnering with Agri-profocus to train farmers on Market Information Systems during the event.

(iii) KENYA

- **Date, Venue and Theme**

The event is confirmed to take place on 8th and 9th August 2012. The event is themed, *"Integrating innovations and technologies for sustainable agribusiness"*. The Fair will be organized jointly by EAGC, RVIST and CGA.

The Steering Committee meetings are ongoing. Under this committee, 5 sub-committees were formed as below:

- a) Event management and hospitality sub-committee.
- b) Crops Demonstration sub-committee
- c) Farmer Mobilization sub-committee
- d) Livestock Unit sub-committee
- e) Sponsorship and Exhibition sub-committee

- **Setting the Crops Demonstration plots:**

CGA who are responsible for setting up the demo have prepared a budget for this purpose. The tillage of land is expected soon to start planting in early March. The seed companies and other agro-dealers have been approached to participate in the demo.

- **Hiring of Event Organizer**

EAGC hired SOHO Ltd as the Event Organizer for the upcoming Kenya Agribusiness Expo.

- **Sponsors and Exhibitors**

Mobilization of exhibitors is ongoing. 20 exhibitors have so far confirmed participation. We have been able to get some two major sponsors with one promising to take title sponsorship amounting to Ksh 1.5M.

- **Awareness**

The Media launch and Stakeholders Briefing is scheduled for July 4th in Nairobi. The advertisement will be done through newspapers and radio in July.

d) Trade Policy

○ Policy Advisory Forum Launched in Nairobi

EAGC in partnership with the UN-FAO launched the **Agricultural Trade Policy Advisory Forum for Eastern and Southern Africa ATPAF-ESA** during an international meeting held on 2nd May 2012 at the Hilton Hotel in Nairobi. ATPAF-ESA is a regional advisory body formed during the inaugural regional policy dialogue workshop held in Nairobi on 15th December 2011 convened by the Eastern Africa Grain Council and supported by the UN Food and Agricultural Organization (FAO). The meeting which was opened by the Kenyan Minister for East Africa Community Mr. Musa Sirma brought together key players including the UN- (FAO, WFP), COMESA, ACTESA, CGIAR institutions, regional farmers' organizations, academic and research institutions, private sector and government.

After the launch of ATPAF-ESA, participants proposed and agreed on a number of roles for the Forum spelt out under four general areas/pillars; Monitoring, Enhanced evidence gathering, Capacity building and enhanced Dialogue on matters relating to agricultural trade policy. The four pillars below would guide the responsibilities of the various players and form the basis for the terms of reference for the Advisory Forum:

1. **Improved Monitoring**
2. **Enhanced evidence gathering**
3. **Capacity Building**
4. **Enhance dialogue**

○ EAGC at AU's Africa Organic Conference in Lusaka

EAGC was represented at the Africa Organic Conference under the theme **Mainstreaming Organic Agriculture in the African Development Agenda**, in Lusaka, Zambia from 30th to 5th May 2012. EAGC was invited by the Africa Union as the private sector institution to support Agriculture development in the continent under the CAADP process. One of the main outcomes of the meeting, is that the Africa Organic Network (AFRONET) was formed, which will work with the Africa Union Commission to ensure the implementation of the Organic Agriculture Action Plan under the CAADP.

The Pillars under the Agriculture Action Plan are Research and training, Information and communication, Value chain market development, networking and partnership, supportive policies and institutional capacity development. EAGC was therefore requested by the AUC to support in the pillars on training and research through the Eastern Africa Grain Institute, on Information and communication through the Regional Agricultural Trade Intelligence (RATIN), and in policy through the Agricultural Trade Policy Forum (ATPAF), launched in Nairobi last week. Other pillars on market development and institutional capacity development will be supported through other EAGC initiatives such as structured trading systems.

- **Stakeholders Forum on Cereals Policy-Kenya**

EAGC participated in a stakeholders' forum on Cereal Policy in Kenya organized by the Ministry of Agriculture on Thursday 31st May 2012. The Cereal Policy developed by the Ministry, is aimed at providing an enabling policy, legal and regulatory framework that responds to constraints in; technology development; input accessibility; adoption of technologies; marketing systems; products quality and infrastructure for the development of the cereal subsector along the value chains. EAGC has been proposed as one of the partners to implement the proposed interventions. EAGC was invited to do a presentation on its programs.

- **FAO CCP 69 SESSION-Special Event of Enhancing Intra-Africa Trade**

EAGC's Executive Director participated in the FAO conference held on 28th-30th May 2012 in Rome, Italy. EAGC was invited to participate in this Special Event whose purpose was to bring together key actors (high-level policy makers, RECs, farmers' organizations, private sector, researchers, etc) involved in regional value chain development, food security and trade to highlight the remaining impediments and provide operationally effective solutions for concrete actions for improving intra-African trade and regional value-chain developments in the context of increasing price volatility in African food markets. Mr. Gerald Masila was one of the conference speakers under "*Enhancing Intra-African Trade*".

- **Development of Policy papers on Aflatoxin, Moisture content and Wheat exports.**

During the period, the council produced several policy documents and submitted to the various key bodies including a document on Aflatoxin in Kenya, Moisture content requirements in Maize, and Wheat import from Mauritius. Such materials continue to give EAGC its thought leadership profile on issues affecting grain sector in the region.

- **The Review of the National Export Strategy in Uganda**

EAGC was represented at the National Export Strategy review meeting held in Uganda. The consultative meeting of the National Export Strategy (NES) was organized by the Uganda Export Promotions Board. The meeting was aimed at seeking contributions from stakeholders to the review of the expiring NES. Consequently, the contributions will be used to guide the development of the new National Export Strategy. The NES under review was the first of its kind in the country. The strategy was developed in 2007 using the consultative approach through public-private sector partnership. The strategy was designed to cover five years (2008-2012) and it was launched in 2007 by his Excellency the President of the Republic of Uganda. The Strategy is in its final year of implementation and will be expiring on October 7th, 2012.

This consultative meeting brought together over 25 stakeholders from the different export sectors of the country. The review of this Strategy was aimed at assessing the extent to which the strategy has achieved its objectives; assess the impact, benefits and value of the strategy to the Ugandan Economy; identify the achievements and success stories and engage the community in providing sector feedback; synthesize knowledge from the strategy.